

CHAIRMAN'S MESSAGE & ED'S STATEMENT

CHAIRMAN'S MESSAGE

Dr Pang Yiu-kai, GBS, JP
Chairman, Hong Kong Tourism Board



The outbreak of the COVID-19 pandemic brought drastic changes to the way we live in the past year. Lockdowns and travel restrictions were imposed worldwide to curb the spread of the virus; essential daily activities such as going to work and school and shopping were disrupted; travel became all but impossible.

As people's lives were thrown into turmoil, it was only right that the Hong Kong Tourism Board (HKTb) – an organisation tasked with promoting Hong Kong as a travel destination for people around the world – changed course and adopt new strategy to create a positive mood for the city and provide support to the city's economy through a time of enormous challenge and hardship.

Tourism is an essential industry of Hong Kong. The shattering impact of the halt to inbound tourism was felt not only by those working directly in the industry but also by those in related sectors, such as dining and retail. As the virus spread across the world, the HKTb took the decision to redirect its strategy and devote its energy and resources into promoting local tourism as a first step to get the industry back on its feet.

In June 2020, we launched a "Holiday at Home" campaign, inspiring Hong Kong people to travel locally and see their home city from a fresh perspective. We created a series of in-depth themed routes, and set up a one-stop online platform for city-wide value-for-money offers and dining, shopping, and entertainment promotions to boost consumer sentiment and create a positive buzz across the city.

As the COVID-19 situation stabilised in Hong Kong, the HKTb devised "Spend-to-Redeem" programmes with "Free Tours" and "Staycation Delights" promotions to further stimulate consumption and provide momentum for the travel trade. Hong Kong residents who spent HK\$800 or more in restaurants and shops in town could sign up for free local tours and get discounts on hotel staycation offers. The quotas for both promotions were snapped up in no time.

We were delighted by the enthusiastic response to these initiatives and the delightful boost they gave to the Hong Kong economy. An indication of the effectiveness of the campaigns is that participants of the Spend-to-Redeem programmes paid out on average 50% to 80% more than the required amount of spending for redeeming tours and hotel discounts, generating a multiplying effect along the consumption chain.

These programmes may appear unconventional when seen in the context of the HKTb's traditional role as a tourism promotion body. However, the main reason for attracting visitors to Hong Kong is to drive tourism spending and bring benefits to the city's multifarious sectors and the economy as a whole. Even though there were barely any visitors in 2020, the HKTb stayed true to its mission of "endeavouring to increase the contribution of tourism to Hong Kong".

An unexpected bonus from our switch of focus is that it nurtured some fascinating new ideas for our future promotions. To attract local consumers, the tourism trade had to come up with new itineraries and products. People staying in Hong Kong also discovered new experiences of their own, and shared their discoveries on social media to their local and overseas friends and family. The ingenious tourism products and experiences brought to life by the pandemic will be invaluable resources as we explore new ways to attract tourists when cross-boundary/border travel resumes.

Happily, today we are in a much brighter place as vaccination against COVID-19 spells hope of an end to the pandemic. Already, many countries and regions are achieving high vaccination rates and returning gradually to regular economic activity. As I write this message, the situation in Hong Kong is stabilising. The darkest of the clouds are lifting.

The COVID-19 typhoon is not yet behind us. But I believe the enduring appeal of Hong Kong and its incredible spirit and diversity will see it rebound as one of the best-loved destinations in the world when the storm has passed. Until then, let us continue to fight the pandemic together, gear up ourselves, and look forward to a bright future full of new possibilities and opportunities forged from the most challenging of times.

CHAIRMAN'S MESSAGE & ED'S STATEMENT

EXECUTIVE DIRECTOR'S STATEMENT

Dane Cheng

Executive Director, Hong Kong Tourism Board



The theme of this year's Annual Report is "Rediscover Hong Kong". At home, that theme was reflected through the "Holiday at Home" campaign we launched in 2020, which encouraged residents to explore Hong Kong and rediscover its magic and beauty. Abroad, it steered our dedicated efforts to keep Hong Kong in the international spotlight and maintain its global reputation as a leading world-class destination throughout the pandemic through a series of new promotional perspectives and channels.

2020 was an extraordinary year that took the Hong Kong Tourism Board (HKTB) into unfamiliar and uncharted waters of first-time initiatives. Our "Holiday at Home" campaign with the "Spend-to-Redeem" programmes, namely "Free Tours", and "Staycation Delights", focused on stimulating local tourism, and is definitely a ground-breaking move for the HKTB. To our satisfaction, they received overwhelming support both from our industry partners and the public.

We took a further leap of faith when we introduced online elements to our mega events including the Hong Kong Wine & Dine Festival, the Hong Kong WinterFest, the New Year Countdown Celebrations and the Chinese New Year Celebrations. The concept was initially greeted with some scepticism, as people questioned whether ideas like online wine tasting in the Hong Kong Wine & Dine Festival 2020 – Go Live! would work. They did: The online masterclasses drew a huge overseas audience and received around 850,000 views, 30% of them from outside Hong Kong, earning Hong Kong a massively positive reputation in visitor source markets.

As well as taking our mega events online, we dreamt up exciting new ways to use technology to show people around Hong Kong. Our 360 Hong Kong Moments campaign took potential visitors around the world on immersive virtual reality (VR) tours so they could enjoy Hong Kong's breath-taking natural scenery and vibrant city life in different neighbourhoods from the comfort of their armchairs at home.

We also invited about 400 expatriates, celebrities, and personalities from Hong Kong and source markets who are passionate about the city to sign up as "Hong Kong Super Fans", spreading words about the city's rich diversity of attractions to the world through their 95 million followers ahead of travel resumption.

Our worldwide offices, meanwhile, rolled out a range of customised promotions tailored to their markets. In Southeast Asia, we invited social media influencers to make nostalgic and unforgettable Hong Kong snacks from our easy-to-cook packs and share their experiences online. In South Korea, we signed up a well-known illustrator to create a colouring book featuring iconic Hong Kong sights and invited celebrities and key opinion leaders, to share their finished works on social media. And in Japan, we worked with trade partners to take a group of tourists on a virtual journey around Hong Kong.

These are just a few examples of the many creative and imaginative initiatives by the HKTB last year to keep Hong Kong at the forefront of travellers' minds and ensure we will be their number one destination choice when travel is possible again.

Another critical part of our mission throughout the pandemic has been to build upon and strengthen our trade cooperation with industry partners in Hong Kong, the Mainland, and overseas.

We not only organised a number of online trade forums and conferences, but also arranged a first-ever online MICE business matching session. The event was a platform for direct exchange between Hong Kong's MICE trade representatives and companies and organisations interested in staging events in Hong Kong, engineering new partnerships and opportunities. To further boost our profile, we invited distinguished leaders from a range of business and professional sectors to serve as Hong Kong Convention Ambassadors and help bring more MICE events to the city, preparing the trade for recovery.

Of course, when borders and boundaries do reopen, hygiene and safety will be a priority for travellers. It is vital for us to demonstrate and uphold our world-class stringent anti-epidemic measures. With this in mind, the HKTB worked with the Hong Kong Quality Assurance Agency to launch the "Anti-Epidemic Hygiene Measures Certification Scheme" in 2020, providing standardised hygiene protocols to tourism-related businesses. So far more than 2,600 businesses have been accredited.

It is no exaggeration to describe 2020 as the toughest year ever experienced by the global tourism industry. I would like to extend my heartfelt thanks to the Government, our partners in the tourism industry and related sectors, and members of the public for supporting the work of the HKTB during these difficult times. I would also like to thank members of the HKTB board for their invaluable advice and expertise, and all of my colleagues for their tireless and inspired efforts throughout the pandemic.

I am grateful to the Audit Commission for their comprehensive review of the HKTB's corporate governance and administrative issues and efforts in promoting tourism and the subsequent recommendations, which the HKTB values highly and has implemented in full.

There will be more uncertainty and turbulence in the year ahead. But I am confident our preparations, resilience, and dedication – combined with Hong Kong's timeless appeal – will continue to put us in a perfect position to seize the initiative when travel resumes and shine brightly once again as one of the world's great travel destinations.